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by PETER DURISCH in London and PETER PRINGLE in Washington 272 may

KEVIN MULCAHY, the former CIA analyst who worked in Britain with American gunrunners Frank Terpil and Edwin Wilson, vistone of the names on an apparent hit list' of American citizens who have fallen foul of the

Two weeks ago Mulcahy told The Observer in Washington that Terpil had held secret meetings with the IRA in Brighton and went for a picnic on a barge near Oxford with international terrorist Carlos The Jackal Ramirez.

Last week FBI, CIA and US district attorneys in-London as part of an intensified search for the two former CIA agents. The American officials told The Observer they believed Terpil was now in Beirut and Wilson in Libya, and that Terpil also frequent visits to made Europe.

Law enforcement sources: in Washington say the hit list was found in the pos-session of Eugene Tafoya, a former Green Beret whohas been charged with trying to assassinate Libyan student : Faisal- Zagallai in Colorado last year. Zagallai, an outspoken critic of the regime of Colonel Qadhafi, was shot twice in the head at close range but survived.

Investigators say they have found evidence linking Latova with Wilson and also with a civilian employee of the Naval Weapons Centre in China Lake, California. For other civilians, from the cerure have been under federal investigation for possible illegal transporting of sophisticated equipment from the centre to Libya.

This is thought to include a type of stun gun; known as a Taser, which incapacitates without killing its victim from a distance of 10 feet, and a binary crystal. line explosive that can be transported on commercial airliners because it consists of two separate, non-explosive ingredients.

il Investigators are trying to fie up the leads involving Terpil, Wilson, the attack in Colorado and the thefts from China Lake, which included 10 Starlight nightscopes, a low-light-relevation comera

helicopter.
Mulcahy, 38, a former CIA computer and communications expert, worked for Wil-son and Terpil in 1976, part of the time in England.

Wilson and Terpil and a California explosives expert, Jerome: Brower, "were indicted vin. Washington for dicted in Washington for running guns to Libya in 1976; and 1977: Charges against half a dozen more suspects in the network are expected next month.

Mulcahy told Newsweek magazine that Terpil and Wilson's initial contract with the Libyans was for \$10 million, and it would have cost

lion, and it would have cost us less than \$1, million to

Newsweek interviewed Wilson in his villa in Tripoli, where he denied newspaper reports that he was good friends with Qadhafi.

I never met the man, The CIA has recently attracted fierce criticism for attracted herce criticism for its. lacklustre role in the hunt for the two gunrunners. This has galvanised the agency to embark on a major effort to find themen and return them for trial in America.

One option is use of the CIA's clandestine operations section, which has been strengthened funder the Reagan Administration. But an international kidnapping would almost certainly pose-problems in American courts. Britain's role in the hunt has three main causes. First there is the traditional close co-operation between Scotland Yard, MIS and MI6 and their American counterparts. Second, Terpil and Wilson used Britain as a convenient base for many of their crooked activities. Third, remnants of the Ter-

The two men shipped binary. liquid explosives from America through Britain to Idi Amin in Uganda, using Amin's whisky specials from Stanstead, Airport,

Terpil, 41, was arrested in New York in December 1979 when he and an associate tried to sell 10,000 old Sten guns from a Manchester warehouse to New York undercover policemen posing as Latina American revolu-tionaries. Two months ago he was sentenced in his absence to 53 years jail on these charges. Yerpil jumped bail last

September and fled to Syria. He is now based in Damascus and makes occasional forays to Beiruti Some sources say

he has also been to Libyan.

Heisis, travelling with a Filipino woman called Ruth, whom he met when she worked on the cosmetics counter of a Washington department store: